



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-888]

Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The U.S. Department of Commerce (Commerce) determines that POSCO, a producer/exporter of certain carbon and alloy steel cut-to-length plate (CTL plate) from the Republic of Korea (Korea), received *de minimis* net countervailable subsidies during the period of review (POR), January 1, 2020, through December 31, 2020.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Faris Montgomery, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1537.

SUPPLEMENTARY INFORMATION:

Background

On June 3, 2022, Commerce published the *Preliminary Results* of this administrative review in the *Federal Register*.¹ On August 15, 2022, Commerce extended the deadline for the final results of this review to no later than November 30, 2022.² For a complete description of

¹ See *Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review, and Intent to Rescind Review, in Part; 2020*, 87 FR 33720 (June 3, 2022) (*Preliminary Results*).

² See Memorandum, “Extension of Deadline for Final Results of Countervailing Duty Administrative Review,” dated August 15, 2022.

the events that followed the *Preliminary Results*, see the Issues and Decision Memorandum.³

We conducted this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Order⁴

The merchandise covered by the *Order* is CTL plate. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in interested parties' briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed is attached to this notice at the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Verification

As provided in section 782(i) of the Act, in September 2022, Commerce conducted an on-site verification of the subsidy information reported by POSCO. We used standard on-site verification procedures, including an examination of relevant accounting records and original source documents provided by the respondent.

Changes Since the *Preliminary Results*

Based on our analysis of the case and rebuttal briefs and the evidence on the record, we made certain changes to POSCO's countervailable subsidy calculations from the *Preliminary*

³ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review: Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea; 2020," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁴ See *Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Countervailing Duty Order*, 82 FR 24103 (May 25, 2017) (*Order*).

Results. These changes are explained in the Issues and Decision Memorandum.

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated an individual net countervailable subsidy rate for POSCO. Commerce determines that, during the POR, the net countervailable subsidy rate for the producers/exporter under review is as follows:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
POSCO ⁵	0.33 (<i>de minimis</i>)

Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*.⁶

Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed company at the applicable *ad valorem* assessment rate. We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Instructions

⁵ As discussed in the *Preliminary Results*, Commerce found the following companies to be cross-owned with POSCO: Pohang Scrap Recycling Distribution Center Co., Ltd.; POSCO Chemical Co., Ltd.; POSCO M-Tech Co., Ltd.; POSCO Nippon Steel RHF Joint Venture Co., Ltd.; POSCO SPS Co., Ltd.; and POSCO Terminal Co., Ltd. The subsidy rate applies to all cross-owned companies. We noted that POSCO has an affiliated trading company through which it exported certain subject merchandise during the POR, POSO International (aka POSCO International Corporation). POSCO International was not selected as a mandatory respondent but was examined in the context of POSCO. Therefore, there is not an established countervailing duty rate for POSCO International; POSCO International's subsidies are accounted for in POSCO's total subsidy rate. Instead, entries of subject merchandise exported by POSCO International will receive the rate of the producer listed on the U.S. Customs and Border Protection (CBP) entry form. Thus, the subsidy rate applied to POSCO and POSCO's cross-owned companies is also applied to POSCO International for entries of subject merchandise produced by POSCO.

⁶ See 19 CFR 351.224(b).

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for the company listed above based on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review.⁷ For all non-reviewed firms subject to the *Order*, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific rate or the all-others rate (3.72 percent), as appropriate.⁸ These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: November 30, 2022.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

⁷ See, e.g., *Honey from Argentina: Results of Countervailing Duty Administrative Review*, 69 FR 29518 (May 24, 2004), and accompanying Issues and Decision Memorandum at Issue 4.

⁸ See *Order*, 82 FR at 24103.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Subsidies Valuation Information
- V. Analysis of Programs
- VI. Discussion of Comments
 - Comment 1: Whether Electricity Is Subsidized by the Government of Korea (GOK)
 - Comment 2: Whether Commerce Is Required by Law to Conduct Verification of the GOK's Questionnaire Responses
 - Comment 3: Whether the Provision of Korea Emissions Trading System (K-ETS) Permits Is Countervailable
 - a. Whether the Provision of K-ETS Permits Provides a Financial Contribution and Benefit
 - b. Whether the Provision of K-ETS Permits Is Specific
 - Comment 4: Whether Commerce Should Correct Errors in its Calculation of the Benefit under the Provision of K-ETS Permits
 - Comment 5: Whether Local Tax Exemptions under RSLTA Article 57-2 Are Countervailable
 - Comment 6: Whether Certain of POSCO Chemical Co., Ltd.'s (POSCO Chemical) Local Tax Exemptions under Restriction of Special Local Taxation Act (RSLTA) Article 78 Are Tied to Non-Subject Merchandise
 - Comment 7: Whether Certain Quota Tariff Import Duty Exemptions under Article 71 of the Customs Act Are Tied to Non-Subject Merchandise
- VII. Recommendation

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